

March 7, 2006

A regular meeting of the Redmond City Council was called to order by Mayor Rosemarie Ives at 7:30 p.m. in the Council Chambers. Council members present were: Allen, Cole, Marchione, McCormick, Resha, and Robinson.

EXCUSE COUNCILMEMBER VACHE

Motion by Ms. McCormick, second by Ms. Allen, to excuse Mr. Vache.
Motion carried unanimously (6 - 0).

ANNOUNCEMENTS

Mayor Ives announced the Council will recess to an executive session following the regular meeting for approximately 30 minutes to discuss potential litigation. The Council will then reconvene into a study session for a discussion on Council accessibility to the public.

Scott McCartney, local Olympic Champion, has been invited to attend a Council meeting. A date of April 18, 2006 is being considered.

ITEMS FROM THE AUDIENCE

Signe Alsin, 11105 151 Ave NE, requested assistance from the Mayor and Council in convening a meeting of all representatives involved for a discussion of the options related to the potential sale of 60 Acres South.

CONSENT AGENDA

Motion by Ms. McCormick, second by Mr. Resha, to approve the following items of the Consent Agenda:

- (1) approval of the minutes of the regular meeting of February 21, 2006.
- (2) approve the following payroll/direct deposit and claim checks:

PAYROLL/DIRECT DEPOSIT CHECKS:

#164595 through #164666 and

#158562 through #159174\$1,178,628.47

CLAIMS CHECKS:

#313249 through #313631 \$3,473,817.72

- (3) approve the award of bid for Fire Station No. 12 Signal Modification, Einstein Elementary, and Old Redmond Road Flashing Beacons, Project Nos. 100191/03-CI-85 and 100197/04-CI-84, to Signal Electric, Inc., Kent, Washington, for the amount bid of \$151,032.50, and authorize the Mayor to sign the contract. The following bids were received:

Signal Electric	\$151,032.50
Transtech Electric	\$186,091.40
Engineer's Estimate	\$258,860.00

- (4) approve the Consultant Agreement for 172 Avenue NE Corridor Study and Preliminary Design, NE 111 Street to NE 128 Street, Project No. 101030/06-CI-90, in the amount of \$242,507, and authorize the Mayor to sign the agreement
- (5) approve the final contract amount with Road Construction Northwest, Inc. for the base bid amount of \$1,284,214 plus change orders and bid item quantity increases and decreases, which resulted in a final contract amount of \$1,245,421.41 and accept construction of the Evans Creek Trail and Greenway - Stage 2, Project No. 100096/00-CI-92, as of March 7, 2006
- (6) approve the final contract amount with Marshbank Construction, Inc. for the base bid of \$648,028.03 plus change orders, bid item quantity increases and decreases and appropriate sales tax, which resulted in a final contract amount of \$542,969.46, and accept construction of the Peters Creek

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Culvert Replacement at NE 87
Street, Project Nos. 100317/04-OW-
79 and 100382/03-NR-37, as of
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- (7) approve two Consulting Services
Agreements with Financial
Consulting Services Group, Inc.
for \$76,190 and \$28,790 to perform
water/sewer and stormwater rate
studies, respectively, and
authorize the Mayor to sign the
agreements

Motion carried unanimously (6 - 0).

REPORTS

Staff Report - Bellevue Redmond Overlake Transportation Study (BROTS) 2005 Annual Reconciliation Report

Terry Marpert, Principal Planner, reported that the
BROTS Annual Reconciliation Report for 2005 was
submitted in place of the annual joint meeting with
the Bellevue City Council.

Councilmember McCormick suggested that, in the future,
the BROTS annual meeting with the Bellevue City
Council be held even if there is no new information.

Mr. Marpert advised that Redmond would be the host for
the meeting to be held in 2006.

OMBUDSMAN REPORT

Councilmember Marchione reported receiving emails
requesting that Perrigo Springs be included in the
proposed parks bond, questioning the North Redmond
Neighborhood process - specifically NE 116 Street and
172 Avenue NE, and inquiring about employee benefits.

Councilmember Cole reported that there were several
inquiries as to the status of the artwork outside City
Hall. He verified with staff that it is complete.

MISCELLANEOUS REPORTS

Councilmember Cole volunteered to fill the Disability
Board vacancy.

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Councilmember McCormick reported that she received a draft of the City Council March 3 and 4, 2006 retreat report which she will distribute and requested Council comments.

Councilmember McCormick asked for Council input on the Suburban Cities regional ranking report.

Councilmember Cole advised that the Puget Sound Regional Council staff will provide a briefing for the Council regarding where to put growth in the next 35 years.

ORDINANCE - INCREASE THE UTILITY TAX RATE FROM FIVE AND EIGHT-TENTHS (5.8%) PERCENT TO SIX PERCENT (6%)

The Mayor, in a memorandum to the City Council dated March 7, 2006, recommended increasing the utility tax rate as part of the City Council's long-range financial strategy to shore up the City's revenue base to allow for the continued delivery of critical services to the community.

Motion by Ms. McCormick, second by Ms. Allen, to adopt Ordinance No. 2281 increasing the utility tax rate on telephone, cellular phones, electric, and natural gas services from five and eight-tenths percent (5.8%) to six percent (6%) effective June 1, 2006.

Councilmember Marchione said that he was not in favor of implementing this tax increase earlier than the originally scheduled date of January 2007.

Ordinance No. 2281 amending the City of Redmond Washington Subsections 5.44.050(a), (b), and (c) of the Redmond Municipal Code in order to increase the tax rate on telephone, business, electric light and power and natural manufactured gas services from five and eight-tenths percent (5.8%) to six percent (6.0%), was presented and read.

Upon a poll of the Council, Allen, Cole, McCormick, Resha, and Robinson,

voted aye. Motion carried (5 - 1) with Marchione voting nay.

ORDINANCE - AMEND REDMOND'S COMPREHENSIVE PLAN TO DESIGNATE A PORTION OF OVERLAKE AS AN URBAN CENTER

The Mayor, in a memorandum to the City Council dated March 7, 2006, advised that staff does not anticipate a difference in service delivery needs nor a substantial fiscal impact under the recommended amendments. She also noted that the proposed amendment could increase Overlake's competitiveness for transportation funds and infrastructure commitments.

Councilmember McCormick said she is pleased that Bellevue adopted the joint letter to the members of the Sound Transit Board regarding high capacity transit. She added that it is important that Redmond and Bellevue continue to work together on transit issues.

Motion by Ms. McCormick, second by Mr. Marchione, to adopt Ordinance No. 2282, amending Redmond's Comprehensive Plan to designate a portion of Overlake as an Urban Center as recommended by the Planning Commission, agree in principle to the outline contained in Attachment B, and direct staff to return with a completed agreement for Council adoption.

Councilmember Cole said he would oppose this amendment because a category of a high tech or advanced technology corridor is more accurate of the Overlake area today and the foreseeable future. He does, however, support the joint letter with Bellevue.

Ordinance No. 2282, an Ordinance of the City of Redmond, Washington, amending the Redmond Municipal Code and the Redmond Community Development Guide to designate a portion of Overlake as an Urban Center, consistent with Redmond's adopted vision and zoning for this area as a vibrant and concentrated center in which to work, live, shop, and recreate, supported by transit and other

services (L030291), and establishing an effective date, was presented and read.

Upon a poll of the Council, Allen, Marchione, McCormick, Resha, and Robinson, voted aye. Motion carried (5 - 1) with Cole voting nay.

RESOLUTION - ADOPTION OF THE SIX-YEAR FINANCIAL STRATEGY AND FUNDING PLAN

The Mayor, in a memorandum to the Council dated March 7, 2006, recommended approval of this resolution and advised that the Council reached consensus on the proposed Six-Year Financial Strategy and funding plan at its February 28, 2006 study session. The Financial Strategy addresses some of the City's existing deficiencies in the areas of public safety, critical equipment replacement, mobility, and building community as well as the funding needed to close the existing fiscal gap.

Motion by Mr. Cole, second by Mr. Resha, to approve Resolution No. 1223, adopting the City's Six-Year Financial Strategy and associated funding plan.

The following is a summary of some of the comments made by Councilmembers:

- appreciation of the participation in the numerous meetings involved in this process
- this has been a learning experience in determining what services were important to the citizens and finding a way to maintain those levels of service
- this is a step forward in a re-evaluation to determine the future revenue stream
- this strategy addresses critical items in public safety
- there is a necessity to request support from the voters for a property tax increase to help support current levels of service

Resolution No. 1223, adopting the Six-Year Financial Strategy and Funding Plan, was presented and read.

Upon a poll of the Council, Allen, Cole, Marchione, McCormick, Resha, and

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Robinson, voted aye. Motion carried
unanimously (6 - 0).

EXECUTIVE SESSION

The Council recessed to an Executive Session at 9:00 p.m. to discuss potential litigation for approximately 30 minutes. The meeting reconvened at 9:28 p.m.

ADJOURNMENT

There being no further business to come before the Council, the Mayor adjourned the meeting to a study session at 9:28 p.m.

MAYOR

CITY CLERK